

MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED BALANCE SHEET

September 30, 2009

ASSETS

	Millions of Japanese yen
CURRENT ASSETS:	
Cash and time deposits	¥34,655
Accounts receivable - trade	44,107
Inventories	619
Short-term loans receivable	26,536
Other current assets	5,158
Less-Allowance for bad debts	(105)
Total current assets	<u>110,971</u>
PROPERTY AND EQUIPMENT:	
Vessels and equipment	2,525
Other	1,714
	<u>4,240</u>
INTANGIBLE ASSETS	7,356
OTHER ASSETS:	
Investment securities	13,485
Long-term loans receivable	14,065
Other investments	4,237
Less-Allowance for bad debts	(3)
	<u>31,784</u>
Total assets	<u><u>¥154,353</u></u>

* The figures are rounded down to the nearest million yen.

LIABILITIES AND SHAREHOLDERS' EQUITY

	Millions of Japanese yen
CURRENT LIABILITIES:	
Accounts payable - trade	¥53,258
Short-term loans payable	26,365
Current portion of long-term loans payable	8,302
Accrued expenses	3,300
Income taxes payable	244
Advances Received	2,562
Other current liabilities	2,581
Total current liabilities	96,615
LONG-TERM LIABILITIES:	
Long-term loans payable	13,882
Severance and retirement benefits	
For employees	150
Long-term accounts payable	412
Other long-term liabilities	1,573
Total long-term liabilities	16,019
NET ASSETS	
SHAREHOLDERS' EQUITY:	
Common stock;	
authorized - 102,868,000 shares	
outstanding - 37,408,000 shares	12,391
Capital surplus	13,121
Retained earnings	20,040
Less-Treasury stock at cost	(1)
Total shareholders' equity	45,552
ACCUMULATED GAINS (LOSSES) FROM VALUATION AND TRANSLATION ADJUSTMENTS	
Net unrealized holding gains (losses) on securities	(36)
Unrealized losses on hedging derivative, net of tax	(164)
Foreign currency translation adjustments	(6,024)
Total accumulated gains (losses) from valuation and translation adjustments	(6,225)
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES:	
Total net assets	2,391
Total liabilities, net assets	41,718
	¥154,353

* The figures are rounded down to the nearest million yen.

MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED STATEMENT OF INCOME

For year ended September 30, 2009

	Millions of Japanese yen
SALES	¥144,688
COST OF SALES	136,509
Gross profit	<u>8,178</u>
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>5,640</u>
Operating profit (loss)	2,538
OTHER INCOME (EXPENSES):	
Interest income and dividend income	1,166
Interest expense	(606)
Foreign exchange gain (loss), net	(60)
Equity in earnings of affiliates	1,749
Loss on abandonment of noncurrent assets	(490)
Other, net	574
Total other income (expenses)	<u>2,332</u>
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	4,870
INCOME TAXES:	
Current	1,876
Deferred	(554)
INCOME BEFORE MINORITY INTERESTS	3,548
MINORITY INTERESTS	417
NET INCOME	<u>¥3,130</u>
	<u>¥3,130</u>
<i>* The figures are rounded down to the nearest million yen.</i>	
Net income per share	¥83.69